(d) Indian Airlines proposes to acquire new aircraft to replace its Airbus A-300 and Boeing-737 aircraft and to augment capacity to cater to annual growth of 5 per cent of domestic traffic. The Airbus A-300 and Boeing B-737 aircraft have become heavy on maintenance and fuel and, as such, costly to maintain and operate.

The process of disinvestment of Indian Airlines could not be completed because no bidder is left in the fray. Decision regarding restarting of the process or otherwise has so far not been taken. In view of this Indian Airlines has been advised to formulate a specific proposal for acquisition of these aircraft for Government's approval.

Creation of Aviation Fund

8. SHRI PREM CHAND GUPTA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that the new Civil Aviation Policy has proposed to compensate all domestic carriers for their flights on economically unviable social routes throught the creation of an Aviation Fund; and

(b) if so, what are the details of this plan and the quantum of subsidy to be given?

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN): (a) and (b) the draft Civil Aviation Policy which is being finalised, seeks to set up a policy framework to provide safe, efficient, reliable and widespread high quality air transport services at reasonable prices in the country. The policy, *inter-alia*, seeks to create National Civil Aviation Development Fund. AS such the issue is still under the consideration of the Government.

Modernisation of Airport Infrastructure

9. SHRI SURESH PACHOURI: Will the Minister of CIVIL AVIATION be pleased to state:

(a) the details of the on-going schemes / projects for modernisation of airports infrastructure;

(b) the present status of these schemes /projects;

(c) whether any targets have been set for their completion;